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Chapter No. 410

15/SS26/R697

LR 1TB/LR

SENATE BILL NO. 2508

Originated in Senate

Liz Welch

Secretary

SENATE BILL NO. 2508

AN ACT TO AMEND SECTION 31-3-1, MISSISSIPPI CODE OF 1972, TO REVISE THE DEFINITION OF THE TERM "CONTRACTOR" AS USED IN THE CHAPTER OF LAWS REGULATING COMMERCIAL BUILDERS; TO REENACT AND AMEND SECTION 31-3-3, MISSISSIPPI CODE OF 1972, TO MAKE NONSUBSTANTIVE CHANGES; TO REENACT SECTION 31-3-5, MISSISSIPPI CODE OF 1972; TO BRING FORWARD SECTION 31-3-7, MISSISSIPPI CODE OF 1972; TO AMEND SECTION 31-3-11, MISSISSIPPI CODE OF 1972, TO CHANGE THE WORD "SECRETARY" TO "DIRECTOR" AS IT RELATES TO THE EXECUTIVE POSITION EMPLOYED BY THE STATE BOARD OF CONTRACTORS; TO AMEND SECTION 31-3-13, MISSISSIPPI CODE OF 1972, TO REVISE THE POWERS AND DUTIES OF THE BOARD; TO AMEND SECTION 31-3-14, MISSISSIPPI CODE OF 1972, TO INCREASE THE APPLICATION AND RENEWAL FEE FOR CERTIFICATES OF RESPONSIBILITY; TO AMEND SECTION 31-3-17, MISSISSIPPI CODE OF 1972, TO INCREASE THE SPECIAL PRIVILEGE LICENSE TAX LEVIED BY THE BOARD; TO AMEND SECTION 31-3-21, MISSISSIPPI CODE OF 1972, TO CLARIFY THAT IT IS UNLAWFUL FOR ANY PERSON WHO DOES NOT HOLD A CERTIFICATE OF RESPONSIBILITY ISSUED UNDER THIS CHAPTER TO SUBMIT A BID, ENTER INTO A CONTRACT, OR OTHERWISE ENGAGE IN OR CONTINUE IN THIS STATE IN THE BUSINESS OF A CONTRACTOR; TO AMEND SECTION 31-3-23, MISSISSIPPI CODE OF 1972, TO REVISE THE PROCEDURE FOR APPEAL OF ANY ORDER, JUDGMENT OR ACTION OF THE BOARD; TO REENACT AND AMEND SECTION 73-59-1, MISSISSIPPI CODE OF 1972, TO CLARIFY CERTAIN DEFINITIONS USED IN THE RESIDENTIAL BUILDERS AND REMODELERS ACT; TO REENACT AND AMEND SECTION 73-59-3, MISSISSIPPI CODE OF 1972, TO INCREASE THE FEE REQUIRED TO REPLACE A REVOKED, LOST, MUTILATED OR DESTROYED LICENSE; TO REENACT AND AMEND SECTION 73-59-5, MISSISSIPPI CODE OF 1972, TO REMOVE THE REQUIREMENT THAT AN APPLICATION FOR LICENSE BE FILED AT LEAST 30 DAYS PRIOR TO THE NEXT MEETING OF THE BOARD; TO REENACT SECTION 73-59-7, MISSISSIPPI CODE OF 1972; TO REENACT AND

AMEND SECTION 73-59-9, MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE BOARD TO ISSUE A CITATION AND TO STOP WORK OF A RESIDENTIAL BUILDER OR REMODELER PERFORMING WORK WITHOUT HAVING A VALID LICENSE; TO REENACT AND AMEND SECTION 73-59-11, MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE BOARD TO REQUIRE CONTINUING EDUCATION; TO REENACT AND AMEND SECTION 73-59-13, MISSISSIPPI CODE OF 1972, TO REVISE THE DISCIPLINARY AUTHORITY OF THE BOARD AND TO REVISE THE APPEAL PROCEDURE OF ACTIONS BY THE BOARD; TO REENACT AND AMEND SECTION 73-59-15, MISSISSIPPI CODE OF 1972, TO REVISE THE EXEMPTIONS FROM THE CHAPTER; TO REENACT SECTION 73-59-17, MISSISSIPPI CODE OF 1972; TO REENACT AND AMEND SECTION 73-59-19, MISSISSIPPI CODE OF 1972, TO REMOVE THE AUTHORITY FOR A REMODELER TO WORK ON CERTAIN COMMERCIAL STRUCTURES WITHOUT ADDITIONAL LICENSE; TO AMEND SECTION 73-59-21, MISSISSIPPI CODE OF 1972, TO CONFORM TO A PREVIOUS SECTION; TO AMEND SECTION 14, CHAPTER 345, LAWS OF 2000, AS AMENDED BY SECTION 13, CHAPTER 375, LAWS OF 2005, AS AMENDED BY SECTION 13, CHAPTER 556, LAWS OF 2009, AS AMENDED BY SECTION 13, CHAPTER 433, LAWS OF 2011, TO REMOVE THE REPEALER REGARDING THE LICENSING AND REGULATION OF RESIDENTIAL BUILDERS AND REMODELERS AND THE STATE BOARD OF CONTRACTORS; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. Section 31-3-1, Mississippi Code of 1972, is amended as follows:

31-3-1. The following words, as used in this chapter, shall have the meanings specified below:

"Board": The State Board of Contractors created under this chapter.

"Contractor": Any person contracting or undertaking as prime contractor, subcontractor or sub-subcontractor of any tier to do any erection, building, construction, reconstruction, demolition, repair, maintenance or related work on any public or private project; however, "contractor" shall not include any owner of a dwelling or other structure to be constructed, altered, repaired

or improved and not for sale, lease, public use or assembly, or any person duly permitted by the Mississippi State Oil and Gas Board, pursuant to Section 53-3-11, Mississippi Code of 1972, to conduct operations within the state, and acting pursuant to said permit. It is further provided that nothing herein shall apply to:

(a) Any contract or undertaking on a public or private project by a prime contractor, subcontractor or sub-subcontractor of any tier involving erection, building, construction, reconstruction, repair, maintenance or related work where such contract, subcontract or undertaking is less than Fifty Thousand Dollars (\$50,000.00);

* * *

(* * *b) Highway construction, highway bridges, overpasses and any other project incidental to the construction of highways which are designated as federal aid projects and in which federal funds are involved;

(* * *c) A residential project to be occupied by fifty (50) or fewer families and not more than three (3) stories in height;

(* * *d) A residential subdivision where the contractor is developing either single-family or multifamily lots;

(* * *e) A new commercial construction project not exceeding seventy-five hundred (7500) square feet and not more

than two (2) stories in height undertaken by an individual or entity licensed under the provisions of Section 73-59-1 et seq.;

(* * *f) Erection of a microwave tower built for the purpose of telecommunication transmissions;

(* * *g) Any contract or undertaking on a public project by a prime contractor, subcontractor or sub-subcontractor of any tier involving the construction, reconstruction, repair or maintenance of fire protection systems where such contract, subcontract or undertaking is less than Five Thousand Dollars (\$5,000.00);

(* * *h) Any contract or undertaking on a private project by a prime contractor, subcontractor or sub-subcontractor of any tier involving the construction, reconstruction, repair or maintenance of fire protection systems where such contract, subcontract or undertaking is less than Ten Thousand Dollars (\$10,000.00);

(* * *i) Any contract or undertaking on a private or public project by a prime contractor, subcontractor or sub-subcontractor of any tier involving the construction, reconstruction, repair or maintenance of technically specialized installations if performed by a Mississippi contractor who has been in the business of installing fire protection sprinkler systems on or before July 1, 2000; or

(* * *j) Any contractor undertaking to build, construct, reconstruct, repair, demolish, perform maintenance on,

or other related work, whether on the surface or subsurface, on oil or gas wells, pipelines, processing plants, or treatment facilities or other structures of facilities. Nothing herein shall be construed to limit the application or effect of Section 31-5-41.

"Certificate of responsibility": A certificate numbered and held by a contractor issued by the board under the provisions of this chapter after payment of the special privilege license tax therefor levied under this chapter.

"Person": Any person, firm, corporation, joint venture or partnership, association or other type of business entity.

"Private project": Any project for erection, building, construction, reconstruction, repair, maintenance or related work which is not funded in whole or in part with public funds.

"Public agency": Any board, commission, council or agency of the State of Mississippi or any district, county or municipality thereof, including school, hospital, airport and all other types of governing agencies created by or operating under the laws of this state.

"Public funds": Monies of public agencies, whether obtained from taxation, donation or otherwise; or monies being expended by public agencies for the purposes for which such public agencies exist.

"Public project": Any project for erection, building, construction, reconstruction, repair, maintenance or related work which is funded in whole or in part with public funds.

SECTION 2. Section 31-3-3, Mississippi Code of 1972, is reenacted and amended as follows:

31-3-3. There is hereby created the State Board of Contractors of the State of Mississippi, which shall consist of ten (10) members who shall be appointed by the Governor. All appointments to the board * * * shall be made with the advice and consent of the Senate. Two (2) road contractors; two (2) building contractors; two (2) residential builders as defined in Section 73-59-1; one (1) plumbing or heating and air-conditioning contractor; one (1) electrical contractor; and one (1) water and sewer contractor shall compose the board. * * * The Governor shall appoint one (1) additional member who shall be a roofing contractor and whose term of office shall be five (5) years. Each member shall be an actual resident of the State of Mississippi and must have been actually engaged in the contracting business for a period of not less than ten (10) years before appointment. The initial terms of the two (2) residential builders shall be for two (2) and four (4) years, respectively * * *.

Upon the expiration of the term of office of any member of the board, the Governor shall appoint a new member for a term of five (5) years, such new appointments being made so as to maintain on the board two (2) building contractors; two (2) road

contractors; two (2) residential builders; one (1) plumbing or heating and air-conditioning contractor; one (1) electrical contractor; and one (1) water and sewer contractor; and one (1) roofing contractor. The Governor shall fill any vacancy by appointment, such appointee to serve the balance of the term of the original appointee. The Governor may remove any member of the board for misconduct, incompetency or willful neglect of duty.

In the event the Governor fails to appoint a member of the board within twelve (12) months of the occurrence of the vacancy, such vacancy shall be filled by majority vote of the board, subject to advice and consent of the Senate and the requirements of this section.

SECTION 3. Section 31-3-5, Mississippi Code of 1972, is reenacted as follows:

31-3-5. The board shall be assigned suitable office space at the seat of government and shall elect one (1) of its members as chairman and one (1) as vice chairman; and each shall perform the usual duties of such offices. The board may adopt a seal. Six (6) members of the board shall constitute a quorum, and a majority vote of those present and voting at any meeting shall be necessary for the transaction of any business coming before the board. Members must be present to cast votes on any and all business. The executive director shall serve as secretary of the board. The board is authorized to employ such personnel as shall be necessary in the performance of its duties including sufficient

administrative and clerical staff to process and review applications for certificates of responsibility, to prepare and administer tests therefor, to investigate applications for certificates of responsibility and to inspect work performed by contractors as may be necessary to enforce and carry out the purpose of this chapter.

SECTION 4. Section 31-3-7, Mississippi Code of 1972, is brought forward as follows:

31-3-7. The board shall have four (4) regular meetings in each year, one (1) on the second Wednesday in January, one (1) on the second Wednesday in April, one (1) on the second Wednesday in July, and one (1) on the second Wednesday in October, at its offices at the seat of government or through the means of teleconference or video conferencing in accordance with Section 25-41-5. If the regular meeting day falls on a legal holiday, the board shall meet on the next day. The board may hold such special meetings as it finds necessary. However, before any special meeting is held, a notice stating the time, place and primary purpose of such meeting shall be sent by certified or registered mail from the chairman or vice chairman of the board to the other members of the board at least five (5) days before such meeting. Certificates of responsibility shall be issued at any time during the course of a calendar year as prescribed by the rules and regulations of the board. All meetings shall be held in the State of Mississippi. At any regular or special meeting the board may

recess from time to time to reconvene on a day and time fixed by an order of the board entered upon its minutes.

The holder of a valid certificate of responsibility shall disclose to the owner or other person with whom the holder is contracting at the signing of a contract or the initial agreement to perform work whether the holder carries general liability insurance. The disclosure shall be written, the structure and composition of which shall be determined by the State Board of Contractors, and shall be placed immediately before the space reserved in the contract for the signature of the purchaser. The disclosure shall be boldfaced and conspicuous type which is larger than the type of the remaining text of the contract.

SECTION 5. Section 31-3-11, Mississippi Code of 1972, is amended as follows:

31-3-11. The board shall elect and fix the salary of an executive * * * director, and the board may terminate the employment of such executive * * * director at any time the board deems the same advisable. The board shall require the executive * * * director to file bond in such amount as the board may deem necessary, and shall specify the duties of such employee. The premium on any such bond shall be paid from the funds provided by this chapter.

SECTION 6. Section 31-3-13, Mississippi Code of 1972, is amended as follows:

31-3-13. The board shall have the following powers and responsibilities:

(a) To receive applications for certificates of responsibility, to investigate and examine applicants for same by holding hearings and securing information, to conduct examinations, and to issue certificates of responsibility to such contractors as the board finds to be responsible. * * *

* * *

* * * All original certificates and renewals * * * shall expire one (1) year from the date of issuance. Application for renewal of certificates of responsibility, together with the payment of a special privilege license tax as provided under this chapter, shall serve to extend the current certificate until the board either renews the certificate or denies the application.

No certificate of responsibility or any renewal thereof shall be issued until the applicant furnishes to the board his Mississippi state sales tax number or Mississippi state use tax number and his state income tax identification numbers.

Additional fees may be required as provided in Section 31-3-14.

The board shall conduct an objective, standardized examination of an applicant for a certificate to ascertain the ability of the applicant to make practical application of his knowledge of the profession or business of construction in the category or categories for which he has applied for a certificate

of responsibility. The board may administer an oral examination to applicants who are unable to take the written examination. The cost of the test and the cost of administering the test shall be paid for by applicants for certificates of responsibility at the time applications are filed. The board shall investigate thoroughly the past record of all applicants, which will include an effort toward ascertaining the qualifications of applicants in reading plans and specifications, estimating costs, construction ethics, and other similar matters. The board shall take all applicants under consideration after having examined him or them and go thoroughly into the records and examinations, prior to granting any certificate of responsibility. If the applicant is an individual, examination may be taken by his personal appearance for examination or by the appearance for examination of one or more of his responsible managing employees; and if a copartnership or corporation or any other combination or organization, by the examination of one or more of the responsible managing officers or members of the executive staff of the applicant's firm, according to its own designation, and such person shall be known as the qualifying party. A qualifying party may serve no more than three (3) separate entities as the qualifying party without first appearing before the board and being granted special permission.

(b) To conduct thorough investigations of all applicants seeking renewal of their licenses and of all complaints

filed with the board concerning the performance of a contractor on a public or private project.

(c) To obtain information concerning the responsibility of any applicant for a certificate of responsibility or a holder of a certificate of responsibility under this chapter. Such information may be obtained by investigation, by hearings, or by any other reasonable and lawful means. The board shall keep such information appropriately filed and shall disseminate same to any interested person. The board shall have the power of subpoena.

(d) To maintain a list of contractors to whom certificates of responsibility are issued, refused, revoked or suspended, which list shall be available to any interested person. Such list shall indicate the kind or kinds of works or projects for which a certificate of responsibility was issued, refused, revoked or suspended.

(e) To issue a citation to anyone performing work without having a valid certificate of responsibility as required by this chapter.

(* * *f) To revoke by order entered on its minutes a certificate of responsibility upon a finding by the board that a particular contractor or qualifying party is not responsible, and to suspend such certificate of responsibility in particular cases pending investigation, upon cause to be stated in the board's order of suspension. No such revocation or suspension shall be ordered without a hearing conducted upon not less than ten (10)

days' notice to such certificate holder by certified or registered mail, wherein the holder of the certificate of responsibility shall be given an opportunity to present all lawful evidence which he may offer.

(* * *g) To adopt rules and regulations setting forth the requirements for certificates of responsibility, the revocation or suspension thereof, and all other matters concerning same; rules and regulations governing the conduct of the business of the board and its employees; and such other rules and regulations as the board finds necessary for the proper administration of this chapter, including those for the conduct of its hearings on the revocation or suspension of certificates of responsibility. Such rules and regulations shall not conflict with the provisions of this chapter.

(* * *h) The board shall have the power and responsibility to classify the kind or kinds of works or projects that a contractor is qualified and entitled to perform under the certificate of responsibility issued to him. Such classification shall be specified in the certificate of responsibility.

The powers of the State Board of Contractors shall not extend to fixing a maximum limit in the bid amount of any contractor, or the bonding capacity, or a maximum amount of work which a contractor may have under contract at any time, except as stated in paragraph (a) of this section; and the Board of Contractors shall not have jurisdiction or the power or authority to determine

the maximum bond a contractor may be capable of obtaining. The board, in determining the qualifications of any applicant for an original certificate of responsibility or any renewal thereof, shall, among other things, take into consideration the following:

(* * *i) experience and ability, (* * *ii) character, (* * *iii) the manner of performance of previous contracts, (* * *iv) financial condition, (* * *v) equipment, (* * *vi) personnel, (* * *vii) work completed, (* * *viii) work on hand, (* * *ix) ability to perform satisfactorily work under contract at the time of an application for a certificate of responsibility or a renewal thereof, (* * *x) default in complying with provisions of this law, or any other law of the state, and (* * *xi) the results of objective, standardized examinations. A record shall be made and preserved by the board of each examination of an applicant and the findings of the board thereon, and a certified copy of the record and findings shall be furnished to any applicant desiring to appeal from any order or decision of the board.

(* * *i) The board shall enter upon its minutes an order or decision upon each application filed with it, and it may state in such order or decision the reason or reasons for its order or decision.

Upon failure of the board to enter an order or decision upon its minutes as to any application within one hundred eighty (180)

days from the date of filing such application, the applicant shall have the right of appeal as otherwise provided by this chapter.

* * *

The holder of a valid certificate of responsibility shall disclose to the owner or other person with whom the holder is contracting at the signing of a contract or the initial agreement to perform work whether the holder carries general liability insurance. The disclosure shall be written, the structure and composition of which shall be determined by the State Board of Contractors, and shall be placed immediately before the space reserved in the contract for the signature of the purchaser. The disclosure shall be boldfaced and conspicuous type which is larger than the type of the remaining text of the contract.

SECTION 7. Section 31-3-14, Mississippi Code of 1972, is amended as follows:

31-3-14. (1) In addition to the fees required for application and renewal for certification and registration of all contractors in Section 31-3-13, all holders of a certificate of responsibility shall pay a fee equal to * * * Two Hundred Dollars (\$200.00) at the time of application or renewal of certificates of responsibility. Any residential builder licensed under the provisions of Section 73-59-1 et seq. shall be exempt from the fee imposed under this section. The revenue derived from such additional fees shall be deposited into a fund to be known as the "Construction Education Fund," a special fund created in the State

Treasury, and distributed by the State Board of Contractors created in Section 31-3-3, to the Mississippi Construction Education Foundation, public high schools and community colleges that participate in the Mississippi Construction Education Foundation's "school-to-work" program, state universities that have construction technology programs, the Mississippi Housing Institute and certain construction educational trusts approved by the State Board of Contractors in the manner hereinafter provided to offer courses for construction education and construction craft training to meet the needs of the construction industry of the State of Mississippi.

(2) The State Board of Contractors shall, on an annual basis, solicit from the Mississippi state institutions of higher learning, all the public community and junior colleges, the Mississippi Construction Education Foundation, public high schools that participate in the Mississippi Construction Education Foundation's "school-to-work" program and certain construction educational trusts, applications for the use of such funds in construction education and craft training programs in a manner prescribed by the board. The board may appoint a technical advisory committee to advise the board on the most needed areas of construction education and craft training, continuing education or research relating to the construction education and craft training in the state, based on significant changes in the construction industry's practices, economic development or on problems costing

public or private contractors substantial waste. The board shall ensure that the monies distributed from this fund are properly spent to promote construction education and craft training in programs in the state which are approved by the board. At least seventy-five percent (75%) of the monies distributed by the board, pursuant to this section, must be used for construction craft training with the exception of the Mississippi Housing Institute.

(3) Each university, junior college, community college, the Mississippi Construction Education Foundation, public high school that participates in the foundation's "school-to-work" program and construction educational trust receiving funds pursuant to this section for construction education or construction craft training programs shall utilize such funds only for construction education and craft training curricula and program development, faculty development, equipment, student scholarships, student assistantships, and for continuing education programs related to construction education and craft training. Such funds shall not be commingled with the normal operating funds of the educational institution, regardless of the source of such funds.

(4) The State Board of Contractors shall ensure the distribution of reports and the availability of construction education programs established pursuant to this section to all segments of the construction industry that are subject to the fee provided under this section. The board shall cause a report to be made to the Legislature in October of each year, summarizing the

allocation of funds by institution or program and summarizing the new projects funded and the status of previously funded projects.

(5) All monies deposited into the Construction Education Fund shall be used exclusively for construction education and craft training, and any unspent funds at the end of the fiscal year shall not revert to the General Fund of the State Treasury but shall be available for construction education and craft training in subsequent fiscal years.

(6) All monies deposited into the Construction Education Fund collected from residential builders licensed under the provisions of Section 73-59-1 et seq. shall be used exclusively for licensed home builders' education and professional development and any unspent funds at the end of the fiscal year shall not revert to the General Fund of the State Treasury but shall be available for construction education and craft training in subsequent fiscal years.

(7) All expenditures from the Construction Education Fund shall be by requisition to the State Auditor, signed by the executive * * * director of the board and countersigned by the chairman or vice chairman of the board, and the State Treasurer shall issue his warrants thereon.

SECTION 8. Section 31-3-17, Mississippi Code of 1972, is amended as follows:

31-3-17. There is hereby levied, in addition to any taxes otherwise provided for by law, a special privilege license tax

of * * * Two Hundred Dollars (\$200.00) on each contractor who applies for a certificate of responsibility issued under this chapter; and such tax shall be paid to the executive * * * director of the board upon making such application in this state. The board may levy an additional special privilege license tax not to exceed * * * One Hundred Dollars (\$100.00) for each additional classification for which a contractor applies and is found to be qualified. The executive * * * director of the board shall promptly deposit all monies received under this chapter in the State Treasury. Except for the civil penalty provided in Section 31-3-21 which shall be deposited into the State General Fund and the fee provided in Section 31-3-14, all monies received under this chapter shall be kept in a special fund in the State Treasury known as the "State Board of Contractors Fund," and shall be used only for the purposes of this chapter. Such monies shall not lapse at the end of each fiscal year, but all monies in such State Board of Contractors Fund in excess of the sum of fifty percent (50%) of the approved budget for the fiscal year shall be paid over into the General Fund of the State Treasury. All expenditures from the Board of Contractors Fund shall be by requisition to the State Auditor, signed by the executive * * * director of the board and countersigned by the chairman or vice chairman of the board, and the State Treasurer shall issue * * * warrants thereon.

SECTION 9. Section 31-3-21, Mississippi Code of 1972, is amended as follows:

31-3-21. (1) It shall be unlawful for any person who does not hold a certificate of responsibility issued under this chapter * * * to submit a bid, enter into a contract, or otherwise engage in or continue in this state in the business of a contractor, as defined in this chapter. Any bid which is submitted without a certificate of responsibility number issued under this chapter and without that number appearing on the exterior of the bid envelope, as and if herein required, at the time designated for the opening of such bid, shall not be considered further, and the person or public agency soliciting bids shall not enter into a contract with a contractor submitting a bid in violation of this section. In addition, any person violating this section by knowingly and willfully submitting a bid for projects without holding a certificate of responsibility number issued under this chapter, as and if herein required, at the time of the submission or opening of such bid shall be guilty of a misdemeanor and, upon conviction, shall be punished by a fine of not more than One Thousand Dollars (\$1,000.00), or by imprisonment for not more than six (6) months, or by both such fine and imprisonment.

(2) All bids submitted for public or private projects where the bid is in excess of Fifty Thousand Dollars (\$50,000.00) shall contain on the outside or exterior of the envelope or container of

such bid the contractor's current certificate number, and no bid shall be opened or considered unless such contractor's current certificate number appears on the outside or exterior of said envelope or container, or unless there appears a statement on the outside or exterior of such envelope or container to the effect that the bid enclosed therewith did not exceed Fifty Thousand Dollars (\$50,000.00) with respect to public or private projects. Any person violating the provisions of this subsection shall be guilty of a misdemeanor and, upon conviction, shall be punished by a fine of not more than One Thousand Dollars (\$1,000.00), or by imprisonment for not more than six (6) months, or by both such fine and imprisonment.

(3) In the letting of public contracts preference shall be given to resident contractors, and a nonresident bidder domiciled in a state having laws granting preference to local contractors shall be awarded Mississippi public contracts only on the same basis as the nonresident bidder's state awards contracts to Mississippi contractors bidding under similar circumstances; and resident contractors actually domiciled in Mississippi, be they corporate, individuals, or partnerships, are to be granted preference over nonresidents in awarding of contracts in the same manner and to the same extent as provided by the laws of the state of domicile of the nonresident. When a nonresident contractor submits a bid for a public project, he shall attach thereto a copy of his resident state's current preference law, if any, pertaining

to such state's treatment of nonresident contractors. Any bid submitted by a nonresident contractor which does not include the nonresident contractor's current state law shall be rejected and not considered for award. As used in this section, the term "resident contractors" includes a nonresident person, firm or corporation that has been qualified to do business in this state and has maintained a permanent full-time office in the State of Mississippi for two (2) years prior to * * * submission of the bid and the subsidiaries and affiliates of such a person, firm or corporation. Any public agency awarding a contract shall promptly report to the * * * Department of Revenue the following information:

(a) The amount of the contract.

(b) The name and address of the contractor reviewing the contract.

(c) The name and location of the project.

(4) In addition to any other penalties provided in this chapter, and upon a finding of a violation of this chapter, the State Board of Contractors may, after notice and hearing, issue an order of abatement directing the contractor to cease all actions constituting violations of this chapter until such time as the contractor complies with Mississippi state law, and to pay to the board a civil penalty to be deposited into the State Board of Contractors' Fund, created in Section 31-3-17, of not more than three percent (3%) of the total contract being performed by the

contractor. In addition to, or in lieu of, such civil penalty, the board may * * * issue a public or private reprimand. The funds collected from civil penalty payments shall be used by the State Board of Contractors for enforcement and education.

SECTION 10. Section 31-3-23, Mississippi Code of 1972, is amended as follows:

31-3-23. * * * Within ten (10) days after any order, judgment or action of the board, any person aggrieved thereby may appeal such order, judgment or action either to the chancery court of the county wherein the appellant resides or to the Chancery Court of the First Judicial District of Hinds County, Mississippi, upon giving bond with sufficient security in the amount of Two Hundred Fifty Dollars (\$250.00), approved by the clerk of the chancery court and conditioned to pay any costs which may be adjudged against such person. In lieu of the bond, the appellant may post Two Hundred Fifty Dollars (\$250.00) with the clerk of the chancery court and conditioned to pay any costs which may be adjudged against such person.

Notice of appeal shall be filed in the office of the clerk of the chancery court, who shall issue a writ of certiorari directed to the board commanding it within forty-five (45) days after service thereof to certify to such court its entire record in the matter in which the appeal has been taken. The appeal shall thereupon be heard in due course by the court, and the court shall review the record and shall affirm or reverse the judgment. If

the judgment * * * is reversed, the chancery court or chancellor shall render such order or judgment as the board ought to have rendered, and certify the same to the board; and costs shall be awarded as in other cases.

Appeals may be had to the Supreme Court of the State of Mississippi as provided by law from any final action of the chancery court. The board may employ counsel to defend such appeals, to be paid out of the funds in the State Board of Contractors Fund.

On appeal, any order, judgment or action of the board revoking a certificate of responsibility or residential license shall remain in full force unless the chancery court or Supreme Court reverses such order, judgment or action of the board.

The remedies provided under this chapter for any aggrieved * * * person shall not be exclusive, but shall be cumulative of and supplemental to any other remedies which he may otherwise have in law or in equity, whether by injunction or otherwise.

SECTION 11. Section 73-59-1, Mississippi Code of 1972, is reenacted and amended as follows:

73-59-1. For the purposes of this chapter, the following words shall have the meanings ascribed herein:

(a) "Board" means the State Board of Contractors created in Section 31-3-3, Mississippi Code of 1972.

(b) "Residential builder" means any corporation, partnership or individual who constructs a building or structure for sale for use by another as a residence or who, for a fixed price, commission, fee, wage or other compensation, undertakes or offers to undertake the construction, or superintending of the construction, of any building or structure which is not more than three (3) floors in height, to be used by another as a residence, when the total cost of the undertaking exceeds Fifty Thousand Dollars (\$50,000.00).

(c) "Remodeler" means any corporation, partnership or individual who, for a fixed price, commission, fee, wage or other compensation, undertakes or offers to undertake the construction, or superintending of the construction, of improvements to an existing residence when the total cost of the improvements exceeds Ten Thousand Dollars (\$10,000.00).

(d) "Residential construction" means any undertaking described in paragraph (b) of this section performed by a residential builder.

(e) "Residential improvement" means any undertaking described in paragraph (c) of this section performed by a remodeler.

(f) "Active licensee" means any builder or remodeler licensed under this chapter and engaged in building and remodeling.

(g) "Inactive licensee" means any builder or remodeler licensed under this chapter and not engaged in building or remodeling.

SECTION 12. Section 73-59-3, Mississippi Code of 1972, is reenacted and amended as follows:

73-59-3. (1) Except as otherwise provided in Section 73-59-15 or Section 33-1-39, persons who perform or formerly performed residential construction or residential improvement shall be licensed by the board annually as an active licensee or inactive licensee, as appropriate, and, as a prerequisite to obtaining a license or renewal thereof, each shall submit to the board:

(a) Proof of workers' compensation insurance, if applicable; however, workers' compensation insurance shall not be required for inactive licensees;

(b) A federal employment identification number or social security number.

(2) The board may require liability insurance to be licensed under this chapter and it shall be reflected on the certificate of licensure; however, liability insurance shall not be required for inactive licensees.

(3) The board shall issue or renew a license to an active or inactive residential builder or remodeler upon payment to the board of the license fee. The initial license fee shall be Fifty Dollars (\$50.00). The license fee may thereafter be increased or

decreased by the board and cannot exceed One Hundred Dollars (\$100.00); however, the receipts from fees collected by the board shall be no greater than the amount required to pay all costs and expenses incurred by the board in enforcing the provisions of this chapter. Twenty-five Dollars (\$25.00) of the fee required by this section which is assessed to residential builders licensed under the provisions of Section 73-59-1 et seq. shall be deposited to the Construction Education Fund created pursuant to Section 31-3-14 and shall be distributed to the Mississippi Housing Institute. The remaining fees collected under this chapter shall be deposited into the special fund in the State Treasury known as the "State Board of Contractors Fund" created pursuant to Section 31-3-17 and shall be used for the administration and enforcement of this chapter and as provided in Section 31-3-14. Amounts in such fund shall not lapse into the State General Fund at the end of a fiscal year. Interest accrued to such fund shall remain in the fund. All expenditures from the special fund shall be by requisition to the Department of Finance and Administration, signed by the executive * * * director of the board and countersigned by the chairman or vice chairman of the board.

(4) Except as provided in Section 33-1-39, the license shall expire on the last day of the twelfth month following its issuance or renewal and shall become invalid unless renewed. The board may notify by mail or e-mail every licensee under this chapter of the date of the expiration of his license and the amount of the fee

required for renewal of the license for one (1) year. To receive notification by e-mail, a licensee must notify the board of his desire to receive notification by e-mail and provide an e-mail address. Such notice may be mailed or e-mailed within thirty (30) days prior to the expiration date of the license. The failure on the part of any licensee to renew his license annually in such twelfth month shall not deprive such licensee of the right of renewal, provided that renewal is effected within * * * one hundred eighty (180) days after the expiration date of the license by payment of the license fee plus a penalty of ten percent (10%) of the license fee. A new license required to replace a revoked, lost, mutilated or destroyed license may be issued, subject to the rules of the board, for a charge of not more than * * * Fifty Dollars (\$50.00). An inactive licensee may become an active licensee upon application meeting all the requirements of this section.

(5) Any person who is not a resident of the State of Mississippi who desires to perform residential construction or residential improvement shall be licensed to perform such construction or improvement as provided by this chapter.

SECTION 13. Section 73-59-5, Mississippi Code of 1972, is reenacted and amended as follows:

73-59-5. Any corporation, partnership or individual seeking to be licensed and examined under this chapter shall file with the board * * * a written application on such form as may be

prescribed by the board. Such application shall be accompanied by the payment of the license fee. If the application sufficiently contains the information required pursuant to this chapter, the applicant shall be examined by the board at its next meeting using a uniform written examination prescribed by the board. The board shall administer an oral examination to applicants who are unable to take the written examination. In addition, the board, in examining such applicant, shall consider the following:

- (a) Experience;
- (b) Complaints; and
- (c) Other pertinent information the board may require.

If, as a result of the examination, the board finds that the applicant is qualified to engage in residential construction or residential improvement in Mississippi, the applicant shall be issued a license. Any applicant rejected by the board shall be given the opportunity to be reexamined at the next regularly scheduled examination date after a new application has been filed and the license fee has again been paid.

The board shall make and preserve a record of each examination of an applicant and the findings of the board pertaining to such examination. A certified copy of such record, omitting confidential test questions, shall be furnished to the applicant so requesting such record upon the payment of a fee to the board that reasonably reflects the cost of furnishing such record to the applicant.

Each application or filing made under this section shall include the social security number(s) of the applicant in accordance with Section 93-11-64, Mississippi Code of 1972.

Each application for a license under this chapter shall reveal any other states in which the applicant or any partner or business associate of the applicant is licensed and whether the applicant, partner or business associate has had a license revoked or suspended in any other state. If the applicant fails to provide this information, the board may deny or revoke the applicant's license. If the applicant has had a license revoked in another state, the board may deny the application for a license in this state.

SECTION 14. Section 73-59-7, Mississippi Code of 1972, is reenacted as follows:

73-59-7. In the event of a catastrophe or emergency which arises out of a disaster, act of God, riot, civil commotion, conflagration or other similar occurrence, the board, upon application, may issue an emergency license to persons who are residents or nonresidents of this state and who may or may not be otherwise licensed residential builders or remodelers. Such emergency license shall remain in force for a period not to exceed ninety (90) days, unless extended for an additional period of ninety (90) days by the board or until a contract to build or remodel entered into during the period of the emergency license has been completed.

Within five (5) days of any applicant beginning work as a residential builder or remodeler under this section, the employer or person contracting with such person shall certify to the board such application without being deemed in violation of this chapter, provided that the board, after notice and hearing, may take disciplinary action or revoke the emergency license upon grounds as otherwise contained in this chapter providing for such disciplinary action or revocation of a residential builder's or remodeler's license.

The fee for an emergency license shall be in an amount not to exceed Fifty Dollars (\$50.00) as determined by the board and shall be due and payable at the time of the issuance of such emergency license.

SECTION 15. Section 73-59-9, Mississippi Code of 1972, is reenacted and amended as follows:

73-59-9. (1) Any residential builder who undertakes or attempts to undertake the business of residential construction without having a valid license as required by this chapter, or who knowingly presents to the board, or files with the board, false information for the purpose of obtaining such license, shall be deemed guilty of a misdemeanor and, upon conviction, shall be fined not less than One Hundred Dollars (\$100.00) and not more than Five Thousand Dollars (\$5,000.00) or be imprisoned for not less than thirty (30) nor more than sixty (60) days in the county jail, or both.

(2) Any remodeler who undertakes or attempts to undertake the business of residential improvement without having a valid license as required by this chapter, or who knowingly presents to the board, or files with the board, false information for the purpose of obtaining such license, shall be deemed guilty of a misdemeanor and, upon conviction, shall be fined not less than One Hundred Dollars (\$100.00) and not more than Five Thousand Dollars (\$5,000.00) or be imprisoned for not less than thirty (30) nor more than sixty (60) days in the county jail, or both.

(3) A residential builder or remodeler who does not have the license provided by this chapter may not bring any action, either at law or in equity, to enforce any contract for residential building or remodeling or to enforce a sales contract.

(4) The board shall have the authority to issue a citation and may stop work of a residential builder or remodeler performing work without having a valid license as required by this chapter.

SECTION 16. Section 73-59-11, Mississippi Code of 1972, is reenacted and amended as follows:

73-59-11. The board shall have the following additional duties for the purposes of this chapter:

(a) To conduct thorough investigations of all applicants seeking a license or licensees seeking renewal of their licenses and of all complaints filed with the board concerning the performance of a residential builder.

(b) To obtain information concerning the responsibility of any applicant for a license or of a licensee. Such information may be obtained by investigation, by hearings, or by any other reasonable and lawful means. The board shall keep such information appropriately filed.

(c) To maintain a list of residential builders and remodelers to whom licenses are issued, refused, revoked or suspended, which list shall be available to any interested person.

(d) To prepare annually a complete roster that shows all the names and places of business of the residential builders and remodelers licensed by the board during the preceding year and to forward a copy of the roster to each municipality and county in the state and to file the roster with the Secretary of State.

(e) To take disciplinary actions pursuant to the provisions of Section 73-59-13.

(f) To adopt rules and regulations governing disciplinary actions and the conduct of its hearings and to adopt such other rules and regulations as the board finds necessary for the proper administration of this chapter.

(g) The board may require continuing education for any residential builder or remodeler licensed under this chapter; provided, however, that any residential builder or remodeler who has held a valid license under this chapter before July 1, 2015, shall be exempt from any continuing education requirements. No

more than two (2) hours of continuing education shall be required by the board per year.

The holder of a valid license shall disclose to the owner or other person with whom the holder is contracting at the signing of a contract or the initial agreement to perform work whether the holder carries general liability insurance. The disclosure shall be written, the structure and composition of which shall be determined by the State Board of Contractors, and shall be placed immediately before the space reserved in the contract for the signature of the purchaser. The disclosure shall be boldfaced and conspicuous type which is larger than the type of the remaining text of the contract.

SECTION 17. Section 73-59-13, Mississippi Code of 1972, is reenacted and amended as follows:

73-59-13. (1) The board, upon satisfactory proof and in accordance with the provisions of this chapter and the regulations of the board pertaining thereto, is authorized to take the disciplinary actions provided for in this section against any person for any of the following reasons:

(a) Violating any of the provisions of this chapter or the rules or regulations of the board pertaining to the work of residential building or residential improvement;

(b) Fraud, deceit or misrepresentation in obtaining a license;

(c) Gross negligence or misconduct;

(d) Engaging in work of residential building or residential improvement on an expired license or while under suspension or revocation of license unless the suspension or revocation be abated in accordance with this chapter;

(e) Loaning a license to an unlicensed person;

(f) Failing to maintain workers' compensation insurance, if applicable; or

(g) Failing to pay for goods or services for which the builder is contractually bound.

(2) Any person, including members of the board, may prefer charges against any other person for committing any of the acts set forth in subsection (1) of this section. Such charges shall be sworn to, either upon actual knowledge or upon information and belief, and shall be filed with the board.

The board shall investigate all charges filed with it and, upon finding reasonable cause to believe that the charges are not frivolous, unfounded or filed in bad faith, may, in its discretion, cause a hearing to be held, at a time and place fixed by the board, regarding the charges and may compel the accused by subpoena to appear before the board to respond to such charges.

The board * * * may send a certified inspector to inspect the building or structure which is the subject of a complaint or the board may use a county certified building inspector from the county where the building or structure is located to inspect the building or structure which is the subject of a complaint. The

report of the inspector shall be used in the investigation and the determination of the board. The provisions above shall only apply to hearings.

No disciplinary action may be taken until the accused has been furnished both a statement of the charges against him and notice of the time and place of the hearing thereon, which shall be personally served on such accused or mailed by certified mail, return receipt requested, to the last known business or residence address of the accused not less than thirty (30) days prior to the date fixed for the hearing. The complaining party shall be notified of the place and time of the hearing by mail to the last known business or residence address of the complaining party not less than thirty (30) days prior to the date fixed for the hearing.

(3) At any hearing held hereunder, the board shall have the power to subpoena witnesses and compel their attendance and may also require the production of books, papers, documents or other materials which may be pertinent to the proceedings. The board may designate or secure a hearing officer to conduct the hearing. All evidence shall be presented under oath, which may be administered by any member of the board, and thereafter the proceedings may, if necessary, be transcribed in full by a court reporter and filed as part of the record in the case. Copies of such transcriptions may be provided to any party to the

proceedings at a price reflecting actual cost, to be fixed by the board.

All witnesses who are subpoenaed and appear in any proceedings before the board shall receive the same fees and mileage as allowed by law to witnesses in county, circuit and chancery court pursuant to Section 25-7-47, Mississippi Code of 1972, and all such fees shall be taxed as part of the costs in the case.

When, in any proceeding before the board, any witness shall fail or refuse to attend upon subpoena issued by the board, shall refuse to testify, or shall refuse to produce any books and papers the production of which is called for by the subpoena, the attendance of such witness and the giving of his testimony and the production of the books and papers shall be enforced by any court of competent jurisdiction of this state in the manner provided for the enforcement of attendance and testimony of witnesses in civil cases in the courts of this state.

The accused and the complaining party shall have the right to be present at the hearing in person, by counsel or other representative, or both. The board is authorized for proper cause to continue or recess the hearing as may be necessary.

(4) At the conclusion of the hearing, the board may either decide the issue at that time or take the case under advisement for further deliberation. The board shall render its decision not more than ninety (90) days after the close of the hearing and

shall forward to the last known business or residence address of the accused, by certified mail, return receipt requested, a written statement of the decision of the board.

(5) If a majority of the board finds the accused guilty of the charges filed, the board may:

(a) Issue a public or private reprimand;

(b) Suspend or revoke the license of the accused; * * *

(c) Order completion of an additional educational requirement prescribed by the board not to exceed two (2) hours per violation; or

(* * *d) In lieu of or in addition to any reprimand, suspension * * *, revocation, or education requirement, assess and levy upon the guilty party a monetary penalty of not less than One Hundred Dollars (\$100.00) nor more than Five Thousand Dollars (\$5,000.00) for each violation.

(6) A monetary penalty assessed and levied under this section shall be paid to the board upon the expiration of the period allowed for appeal of such penalties under this section or may be paid sooner if the guilty party elects. Money collected by the board under this section shall be deposited to the credit of the State Board of Contractors Fund.

When payment of a monetary penalty assessed and levied by the board in accordance with this section is not paid when due, the board shall have the power to institute and maintain proceedings in its name for enforcement of payment in the chancery court of

the county of residence of the delinquent party; however, if the delinquent party is a nonresident of the State of Mississippi, such proceedings shall be in the Chancery Court of the First Judicial District of Hinds County, Mississippi.

(7) When the board has taken a disciplinary action under this section, the board may, in its discretion, stay such action and place the guilty party on probation for a period not to exceed one (1) year upon the condition that such party shall not further violate either the laws of the State of Mississippi pertaining to the practice of residential construction or residential remodeling or the bylaws, rules or regulations promulgated by the board.

(8) The board shall not assess any of the costs of disciplinary proceedings conducted pursuant to this section against the prevailing party.

(9) The power and authority of the board to assess and levy the monetary penalties provided for in this section shall not be affected or diminished by any other proceedings, civil or criminal, concerning the same violation or violations except as provided in this section.

(10) The board, for sufficient cause, may reissue a revoked license whenever a majority of the board members vote to do so.

(11) * * * Within ten (10) days after any order, judgment or action of the board, any person aggrieved thereby may appeal such order, judgment or action either to the chancery court of the county wherein the appellant resides or to the Chancery Court of

the First Judicial District of Hinds County, Mississippi, upon giving bond with sufficient security in the amount of Two Hundred Fifty Dollars (\$250.00), approved by the clerk of the chancery court and conditioned to pay any costs which may be adjudged against such person. In lieu of the bond, the appellant may post Two Hundred Fifty Dollars (\$250.00) with the clerk of the chancery court and conditioned to pay any costs which may be adjudged against such person.

Notice of appeal shall be filed in the office of the clerk of the chancery clerk, who shall issue a writ of certiorari directed to the board commanding it within forty-five (45) days after service thereof to certify to such court its entire record in the matter in which the appeal has been taken. The appeal shall thereupon be heard in due course by the court, and the court shall review the record and shall affirm or reverse the judgment. If the judgment * * * is reversed, the chancery court or chancellor shall render such order or judgment as the board ought to have rendered, and certify the same to the board; and costs shall be awarded as in other cases.

Appeals may be had to the Supreme Court of the State of Mississippi as provided by law from any final action of the chancery court. The board may employ counsel to defend all such appeals, to be paid out of the funds in the State Board of Contractors Fund.

On appeal, any order, judgment or action of the board
revoking a certificate of responsibility or residential license
shall remain in full force unless the chancery court or Supreme
Court reverses such order, judgment or action of the board.

The remedies provided under this chapter for any
aggrieved * * * person shall not be exclusive, but shall be
cumulative of and supplemental to any other remedies which he may
otherwise have in law or in equity, whether by injunction or
otherwise.

(12) Any political subdivision or agency of this state which
receives a complaint against a residential builder or remodeler
shall, in addition to exercising whatever authority such political
subdivision or agency has been given over such complaint, forward
the complaint to the board.

(13) In addition to the reasons specified in subsection (1)
of this section, the board shall be authorized to suspend the
license of any licensee for being out of compliance with an order
for support, as defined in Section 93-11-153. The procedure for
suspension of a license for being out of compliance with an order
for support, and the procedure for the reissuance or reinstatement
of a license suspended for that purpose, and the payment of any
fees for the reissuance or reinstatement of a license suspended
for that purpose, shall be governed by Section 93-11-157 or
93-11-163, as the case may be. Actions taken by the board in
suspending a license when required by Section 93-11-157 or

93-11-163 are not actions from which an appeal may be taken under this section. Any appeal of a license suspension that is required by Section 93-11-157 or 93-11-163 shall be taken in accordance with the appeal procedure specified in Section 93-11-157 or 93-11-163, as the case may be, rather than the procedure specified in this section. If there is any conflict between any provision of Section 93-11-157 or 93-11-163 and any provision of this chapter, the provisions of Section 93-11-157 or 93-11-163, as the case may be, shall control.

SECTION 18. Section 73-59-15, Mississippi Code of 1972, is reenacted and amended as follows:

73-59-15. (1) This chapter shall not apply to:

(a) Agricultural buildings, buildings used for agricultural purposes, buildings constructed as a community effort, or tenant houses;

(b) Any person who undertakes construction or improvement on his own residence, or who acts as his own general contractor in the performance of construction or improvement on his own residence * * *;

(c) Any person who undertakes residential construction or improvement, or who acts as a general contractor in the performance of residential construction or improvement, or who acts under supervision of the owner-occupant with respect to residential construction or improvement, when the owner of such

construction or improvement is related to such person by consanguinity or direct affinity;

(d) The owners of property who supervise, superintend, oversee, direct or in any manner assume charge of the construction, alteration, repair, improvement, movement, demolition, putting up, tearing down or maintenance of any building, railroad, excavation, project, development, improvement, plant facility or any other construction undertaking on such property for use by such owner and which will not be for sale, rent, public use or public assembly;

* * *

(* * *e) Any contractor holding a valid license or certificate of responsibility for general construction from the board;

(* * *f) Any nonresident contractor holding a valid license or certificate of responsibility for general construction;

(* * *g) Any person who constructs two (2) single residences or less within a period of one (1) year in any county or municipality which does not require a building permit or any local certification for such construction, provided that the person is not building the residences for sale.

(2) A person specified in subsection (1)(b) or (c) shall not make more than two (2) applications for a permit to construct a single residence or shall not construct more than two (2) single residences within a period of one (1) year. There shall be a

rebuttable presumption that such person intends to construct for the purpose of sale, lease, rent or any similar purpose if more than two (2) applications are made for a permit to construct a single residence or if more than two (2) single residences are constructed within a period of one (1) year.

* * *

SECTION 19. Section 73-59-17, Mississippi Code of 1972, is reenacted as follows:

73-59-17. The building official, or other authority charged with the duty of issuing building or similar permits, of any municipality or county, shall refuse to issue a permit for any undertaking which would classify the applicant as a residential builder or remodeler under this chapter unless the applicant has furnished evidence that he is either licensed as required by this chapter or exempt from the requirements of this chapter. The building official, or other authority charged with the duty of issuing building or similar permits, shall also report to the board the name and address of any person who, in his opinion, has violated this chapter by accepting, or contracting to accomplish, work which would classify the person as a residential builder or remodeler under this chapter without a license or acknowledgement.

SECTION 20. Section 73-59-19, Mississippi Code of 1972, is reenacted and amended as follows:

73-59-19. Any residential builder * * * licensed pursuant to the provisions of this chapter may, without being required to

obtain an additional license under any other law of this state, construct, improve, repair, remodel or renovate any commercial structure, provided the prescribed contract job does not exceed seven thousand five hundred (7,500) square feet.

SECTION 21. Section 73-59-21, Mississippi Code of 1972, is amended as follows:

73-59-21. (1) There is hereby created the Standing Committee on Residential Builders and Remodelers which shall be subordinate to the State Board of Contractors as set forth in Section 31-3-3. The standing committee shall be composed of the two (2) residential builders who serve as members of the State Board of Contractors and three (3) additional residential builders as defined in Section 73-59-1 to be appointed by the Governor. The terms of the ex officio members shall be concurrent with their terms as members of the State Board of Contractors. The initial terms of the three (3) additional residential builders on the Standing Committee on Residential Builders and Remodelers shall be one (1), three (3) and five (5) years, respectively, beginning July 1, 2000. Upon the expiration of the initial term of any member not serving ex officio, his or her successor shall be appointed for a term of five (5) years.

(2) The Governor shall appoint one (1) of the two (2) ex officio members as Chairman of the Standing Committee on Residential Builders and Remodelers. The Executive * * * Director of the State Board of Contractors as set forth in Section 31-3-11

shall serve as secretary of the standing committee. The standing committee shall meet no less than once per quarter of each year at a date and time to be set by its chairman upon at least five (5) business days' notice by regular mail. The members of the standing committee shall be entitled to receive a per diem as provided in Section 31-3-9.

(3) Three (3) members of the Standing Committee on Residential Builders and Remodelers shall constitute a quorum and a majority vote of those present and voting at any meeting shall be necessary to transact business.

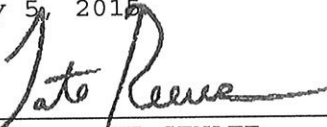
(4) The Standing Committee on Residential Builders and Remodelers shall have the power to make recommendations to the State Board of Contractors pertaining to all duties set forth in Sections 73-59-11 and 73-59-13. The standing committee shall have only the power to make recommendations to the State Board of Contractors and the State Board of Contractors shall have the power and authority to accept or reject any recommendation made by the standing committee. Hearings regarding residential builders and remodelers shall be exclusively under the jurisdiction of the Standing Committee on Residential Builders and Remodelers.

SECTION 22. Section 14, Chapter 345, Laws of 2000, as amended by Section 13, Chapter 375, Laws of 2005, as amended by Section 13, Chapter 556, Laws of 2009, as amended by Section 13, Chapter 433, Laws of 2011, is amended as follows:

Section 14. This act shall take effect and be in force from and after its passage * * *.


SECTION 23. This act shall take effect and be in force from and after July 1, 2015.

PASSED BY THE SENATE
February 5, 2015



PRESIDENT OF THE SENATE

PASSED BY THE HOUSE OF REPRESENTATIVES
March 5, 2015



SPEAKER OF THE HOUSE OF REPRESENTATIVES

APPROVED BY THE GOVERNOR



GOVERNOR

3/23/15
2:20pm